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make true and faithful discovery to the best of his knowledge of all things as to which he shall be so examined, and who shall thereupon receive from the said Magistrate a certificate in writing to that effect shall be freed from all prosecutions under this Act for anything done before that time in respect of such gaming”.

இணைப்பு IV

(93 ஆம் பக்கத்தில் இனம் 7 (2) க்கான அடிக்குறிப்பைக் காண்க)

L.A. Bill No. 53 of 1972.

(As passed by the Assembly.)

**THE TAMIL NADU SOCIETIES REGISTRATION
BILL, 1972.**

A Bill to provide for the registration of literary, scientific, religious, charitable and other societies in the State of Tamil Nadu.

BE it enacted by the Legislature of the State of Tamil Nadu in the Twenty-Sixth Year of the Republic of India as follows :—

CHAPTER I.

PRELIMINARY.

1. *Short title, extent and commencement.*—(1) This Act may be called the Tamil Nadu Societies Registration Act, 1975.

(2) It extends to the whole of the State of Tamil Nadu.

(3) It shall come into force on such date as the Government may, by notification, appoint and different dates may be appointed for different areas and for different provisions of this Act :

Provided that any reference in any such provision to the commencement of this Act shall, in relation to any area, be construed as a reference to the coming into force of that provision in such area.

(2) *Definitions.*—In this Act, unless the context otherwise requires,—

(a) “committee” means the governing body of a registered society to whom the management of its affairs is entrusted ;

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(b) "court" means, in the Presidency town, the Madras City Civil Court and elsewhere, the District Court;

(c) "district" means the district formed under section 5 of the Registration Act, 1908 (Central Act XVI of 1908);

(d) "financial year" means the period of twelve months for which the accounts of a registered society are required to be made-up by the by-laws of the registered society and if the by-laws do not so provide, the period of twelve months ending with the thirty-first day of March each year;

(e) "Government" means the State Government;

(f) "memorandum" means the memorandum of association of a registered society as originally framed and as amended, from time to time, in pursuance of the provisions of this Act;

(g) "officer" includes any trustee, director, manager, treasurer, secretary, assistant secretary or member of the committee, or any person authorised in this behalf by the by-laws of the registered society to bring or defend or cause to be brought or defended any action or other legal proceeding touching or concerning any property, right or claim of the of the registered society or any other person empowered under its by-laws to give directions in regard to the business of the registered society;

(h) "registered society" means a society registered or deemed to be registered under this Act;

(i) "Registrar" means the Inspector-General of Registration appointed under sub-section (1) of section 3 of the Registration Act, 1908 (Central Act XVI of 1908), or the Registrar of a district appointed under section 6 of that Act; or any person authorised by the Government to, exercise all or any of the powers of the Registrar under this Act;

(j) "special resolution" means a resolution passed by a majority of not less than three-fourths of such members of a registered society entitled to vote as are present in person or by proxy (where proxies are allowed) at a general meeting of which a notice of not less than such period as may be prescribed, specifying the intention to propose the resolution as a special resolution, has been duly given:

Provided that, if all the members entitled to vote at any such meeting so agree, a resolution may be passed as a special resolution at a meeting of which a notice of less than the period prescribed under this clause has been given;

(k) "transferred territory" means the Kanyakumari district and the Shencottah taluk of the Tirunelveli district.

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CHAPTER II.

CONSTITUTION AND REGISTRATION.

3. *Societies which may be registered.*—(1) Subject to the provisions of sub-section (2), any society which has for its object the promotion of education, literature, science, religion, charity, social reform, art, crafts, cottage industries, athletics, sports (including indoor games), recreation, public health, social service, cultural activities, the diffusion of useful knowledge or such other useful object with respect to which the State Legislature has power to make laws for the State, which may be prescribed, may be registered under this Act.

(2) Notwithstanding anything contained in sub-section (1), no association which has for its object the improvement of the economic condition of workmen, no club where games of chance providing prizes for winners are played and no society which does not consist of at least seven persons shall be registered under this Act.

4. *Compulsory registration of certain societies.*—(1) Subject to the provisions of sub-sections (3) and (4), every society formed on or after the date of the commencement of this Act, which has for its object any object mentioned in, or prescribed under section 3, and

(a) which consists of not less than twenty members; or

(b) whose annual gross income or expenditure in any financial year after the date of the commencement of this Act, is not less than the ten thousand rupees, shall be registered under this Act within such period as may be prescribed.

(2) Every society in existence on the date of the commencement of this Act, which has for its object any object mentioned in, or prescribed under section 3 and which has not been registered under the Societies Registration Act, 1860 (Central Act XXI of 1860), or under any law corresponding to this Act in force in the transferred territory immediately before the date of the commencement of this Act including the Travancore Cochin Literary, Scientific and Charitable Societies Registration Act, 1955 (Travancore-Cochin Act XII of 1955), and

(i) which consists of not less than twenty members; or

(ii) whose annual gross income or expenditure in any financial year after the date of the commencement of this Act, is not less than ten thousand rupees; or

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(iii) whose gross income or expenditure in any such period preceding the date of the commencement of this Act, was not less than such amount, as may be prescribed, the period so prescribed, bearing to twelve months the same proportion as the amount so prescribed bears to ten thousand rupees ;
shall be registered under this Act within such period as may be prescribed.

(3) Nothing in this section shall apply to any society which has for its object the promotion of religion, athletics or sports (including indoor games).

(4) Nothing contained in this Act shall be deemed to require the registration under this Act of any society formed, established, registered or incorporated under any other law.

5. Optional registration.—Any society which has for its object—

(a) the promotion of religion, athletics or sports (including indoor games);

(b) any other object mentioned in or prescribed under section 3 and to which society the provisions of section 4 are not applicable
may, at its option, be registered under this Act.

6. Memorandum, by-laws, etc., to be filed with the Registrar.—For the purpose of registration of society, there shall be filed with the Registrar of the district in which the society is formed by a member of the committee of the society or by any person duly authorised by the committee in this behalf—

(1) a memorandum specifying—

(a) the name of the society;

(b) the objects of the society ; and

(c) the names, addresses and occupations of the members of the committee, and

(2) the bye-laws of the society.

7. Memorandum and by-laws to be printed or typewritten and signed.—

(1) The memorandum and the bye-laws of the society shall be printed or typewritten.

(2) The memorandum shall be signed by at least seven members who shall add their addresses and occupation in the presence of at least one witness who shall attest the signatures.

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(3) The bye-laws shall be signed by the signatories to the memorandum.

8. *By-laws.*—The bye-laws shall contain provisions in respect of such matters as may be prescribed.

9. *Name of society.*—(1) No society shall be registered by a name which, in the opinion of the Registrar, is undesirable.

Explanation.—For the purposes of this sub-section, the name of a society shall be deemed to be undesirable, if such name is—

(a) obscene or against decency and decorum; or

(b) likely to promote disharmony or feelings of enmity, or hatred or ill-will between different religious, racial, language, or regional groups or castes or communities; or

(c) identical with, or too nearly resembles, the name by which a society in existence has been previously registered.

(2) Except with the previous sanction in writing of the Government, no society shall be registered by a name which contains any of the following words, namely:—

(a) “ Co-operative ” or “ Land Development ”;

(b) “ Reserve Bank ”;

(c) “ Union ” or “ State ” or any word expressing or implying the sanction, approval or patronage of the Central or any State Government; and

(d) “ Municipal ” or “ Chartered ” or any word which suggests or is calculated to suggest connection with any municipality or other local authority:

Provided that nothing in this sub-section shall apply to societies registered under the Societies Registration Act, 1860 (Central Act XXI of 1860), before the date of the commencement of this Act.

10. *Certificate of registration.*—(1) The Registrar, on being satisfied that a society has complied with the provisions of this Act, and the rules made thereunder as to registration, shall issue to that society a certificate of registration and such certificate shall be conclusive evidence that the society therein mentioned is duly registered, unless it is proved that the registration of the society has been cancelled.

(2) The Registrar shall, after the issue of a certificate of registration to a society, enter in a register prescribed in that behalf such particulars as may be prescribed.

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11. *Change of name of registered society.*—(1) Any registered society may, by special resolution and with the approval in writing of the Registrar, change its name :

Provided that if a society, through inadvertance or otherwise, is registered by a name identical with that by which a society in existence is previously registered or so nearly resembling it as to be calculated to deceive, the first mentioned society may, with the approval in writing of the Registrar, change its name.

(2) Where a registered society changes its name as aforesaid, the Registrar shall enter the new name in the register in the place of the former name, and shall issue a fresh certificate of registration with the necessary alterations embodied therein ; and the change of name shall be complete and effective only on the issue of such certificate. The Registrar shall also make the necessary amendment in the memorandum of the registered society.

(3) (a) Any change of name shall not affect any right or obligation of the registered society or of any member thereof or render defective any legal proceeding touching or concerning any property, right or claim of the registered society.

(b) Any action or other legal proceeding that might have been continued or commenced by or against the committee or officer referred to in sub-section (1) of section 20 may be continued or commenced as if the name of the society had not been changed.

12. *Amendment of memorandum and by-laws.*—(1) A registered society may, by special resolution, amend the provisions of its memorandum relating to the objects of the registered society so far as may be required to enable it—

(a) to carry on the administration of the registered society more economically or more efficiently ; or

(b) to attain its main purpose by new or improved means ; or

(c) to amalgamate with any other registered society ; or

(d) to divide itself into two or more societies.

(2) A registered society may, by special resolution, amend its by-laws.

(3) An amendment of the memorandum or the by-laws shall be registered and on such registration shall take effect from the date of the passing of such special resolution.

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(4) If the Registrar is satisfied that any amendment of the memorandum or the by-laws is not contrary to the provisions of this Act or the rules made thereunder, he may register the amendment. When the Registrar registers an amendment of the memorandum or the by-laws, he shall issue to the registered society a copy of the amendment certified by him, which shall be conclusive evidence that the amendment has been duly registered.

CHAPTER III.

MANAGEMENT AND ADMINISTRATION.

13. *Registered Office.*—Every registered society shall—

(1) have a registered office to which all communications and notices may be addressed and shall file with the Registrar notice of situation of such office and of any change thereof within such period as may be prescribed after the date of the registration of the society or after the date of change, as the case may be.

(2) keep displayed on the outside of its registered office in ~~nama~~ in a conspicuous position, in legible characters and if the characters employed therefor are not those of Tamil, also in the characters of Tamil.

14. *Register of members.*—(1) Every registered society shall maintain a register containing the names, addresses and occupations of its members.

(2) The register of members shall, during business hours, be open to the inspection of any member free of charge and any member may make extracts therefrom.

15. *Committee.*—(1) Every registered society shall have a committee of not less than three members to manage its affairs. Every registered society shall file with the Registrar a copy of the register maintained by it under sub-section (1) of section 14 and, from time to time, file with the Registrar notice of any change among the members of the committee.

(2) A copy of the register shall be filed either at the time of the registration of the society or within such period as may be prescribed from the appointment of the members of the first committee and the notice of any change among the members of the society or of the committee shall be filed within such period as may be prescribed from the date of such change.

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(3) The members of the committee shall be appointed at a meeting of the society by a resolution of a majority of the members present and entitled to vote thereat.

(4) The term of office of the members of the committee shall not exceed three years from the date of their appointment.

(5) The members of the committee shall be eligible for re-appointment.

16. *Accounts and audit.*—(1) Every registered society shall keep proper books of account and at the expiration of each financial year, prepare a receipts and expenditure account and a balance-sheet and shall cause them to be audited by an auditor or by two or more members of the registered society (not being members of the committee), appointed by the registered society and possessing the prescribed qualifications.

(2) The auditor or the members appointed under sub-section (1) shall have access to all the books and accounts of the registered society, and shall examine the receipts and expenditure account and the balance sheet and verify them with the accounts and vouchers relating thereto, and shall either sign them as found by him or them to be correct, duly vouched, and in accordance with law, or specially report to the registered society in what respects he finds or they find them to be incorrect, unvouched, or not in accordance with law.

(3) Every registered society shall—

(a) within such period as may be prescribed after the expiration of each financial year, place before the general meeting the receipts and expenditure account and the balance-sheet together with report referred to in sub-section (2) duly signed by the auditor or the members appointed under sub-section (1) and the members of the committee, and

(b) within such period as may be prescribed after the date of such general meeting, file with the Registrar—

(i) an authenticated copy of such receipts and expenditure account, balance sheet and report,

(ii) a statement of the names, addresses and occupations of the persons who, at the expiry of the financial year, were members of the registered society, and

(iii) a declaration to the effect that the society has been carrying on business or has been in operation during the financial year.

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17. *Supply of copies of by-laws, etc., to members.*—Every registered society shall supply to any member, on application and on payment of such fee as may be prescribed, a copy of—

- (i) its by-laws;
- (ii) the receipts and expenditure account; and
- (iii) the balance sheet.

18. *Property of registered society how vested.*—All property, movable and immovable, belonging to a Registered society, whether acquired before or after its registration, if not vested in trustees, shall vest in the committee; and any such property may in any legal proceeding, be referred to as the property of the committee.

19. *Members guilty of offences punishable as strangers.*—Any member of a registered society who steals, purloins or embezzles any money or other property, or wilfully and maliciously destroys or injures any property of the registered society, or forges any deed, bond, security for money, receipt or other instrument whereby the funds of the registered society may be exposed to loss, shall be subject to the same prosecution, and, if convicted, shall be liable to be punished in like manner as any person who is not a member would be subject and liable to in respect of the like offence.

20. *Legal proceedings by or against registered societies.*—(1) The committee or any officer of the registered society authorised in this behalf by its by-laws may bring or defend or cause to be brought or defended any action or other legal proceeding touching or concerning any property, right or claim of the registered society and may sue or be sued in respect of any such property, right or claim.

(2) Any action or other legal proceeding shall not abate or be discontinued by the death, resignation or removal from office of any officer of the registered society.

21. *Judgment how enforced.*—(1) If a judgment is passed against any officer referred to in sub-section (1) of section 20, such judgement shall not be enforced against the property, movable or immovable, or against the body, of such officer, but against the property of the registered society.

(2) The application for execution shall set forth the judgment, the fact of the party against whom it shall have been passed having sued or having been sued, as the case may be on behalf of the registered society only, and shall require to have the judgment enforced against the property of the registered society.

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22. *Suit to recover penalty.*—Where any by-law of a registered society provides for the imposition of any pecuniary penalty for any breach thereof, such penalty, when accrued, may be recovered by suit filed in the court having jurisdiction where the defendant resides or the registered office of the registered society is situate.

23. *Members liable to be sued as strangers.*—(1) Any member of a registered society who is in arrear of any subscription which according to the by-laws of the registered society he is bound to pay, or who is in possession of, or detains, any property of the registered society in a manner or for a time contrary to such by-laws or injures or destroys any property of the registered society, may be sued for such arrear or for the damage accruing from such possession, detention, injury or destruction of property in the manner provided in this Act.

(2) Where the defendant succeeds in any such suit or other proceeding brought against him at the instance of the registered society and is adjudged to recover his costs, the provisions of section 21 shall apply to such judgement.

24. *Investment of funds.*—A registered society may, to such extent and under such conditions as may be permitted by its by-laws, from time to time, invest or deposit any portion of its funds not immediately required,—

(1) upon immovable properties; or

(2) in securities of the Government or in National Savings Certificates or other securities of the Government of India;

(3) in the Post-Office Savings Bank Account; or

(4) in a special account opened by the registered society for the purpose in a—

(a) corresponding new bank as defined in the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 (Central Act 5 of 1970); or

(b) society registered or deemed to be registered under the Tamil Nadu Co-operative Societies Act, 1961 (Tamil Nadu Act 53 of 1961), the primary object or principal business of which is the transaction of banking business; or

(5) in such other mode of investment as may be prescribed.

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25. *Application of funds of a registered society.*—(1) A registered society shall have power to spend out of its funds such sums as it thinks fit on purposes authorised by this Act or its by-laws.

(2) No part of the funds of a registered society (save those funds earmarked specifically for the purpose of making provision for a dependant of a deceased or disabled member) shall be divided by way of bonus or dividend or otherwise among its members :

Provided that payment may be made from such earmarked funds to a dependant of a deceased or disabled member of a registered society, subject to such limits, if any, prescribed by the by-laws.

Explanation.—For the purpose of this sub-section—

(i) the expression “ dependant ” means any of the following relatives of a deceased or disabled member, namely, a wife, husband, parent, child, minor brother, unmarried sister and a deceased son's widow and child, and, where no parent of the deceased or disabled member is alive, a paternal grand-parent ;

(ii) the expression “ disabled member ” means a member who, on account of injury, disease, or congenital deformity is substantially handicapped in obtaining, or keeping employment, or in undertaking work on his own account, of a kind which apart from that injury, disease or deformity would be suited to his age, experience and qualifications and the expression “ disease ” in this clause shall be construed as including a physical or mental condition arising from imperfect development of any organ.

(3) Save as provided in sub-section (2), no payment shall be made out of the funds of a registered society to the president or any other officer of the society by way of honorarium for any service rendered by him to the society.

26. *Annual general meetings.*—(1) At least one general meeting of the registered society shall be held in every financial year.

(2) Notice of every such general meeting shall be given by the registered society to its members within such period as may be prescribed before the day appointed for the meeting.

(3) The notice shall specify the day, hour and place and the object of the meeting and, in case any amendment of a by-law or objects of association as contained in the memorandum is intended to be proposed, shall contain a copy of every such amendment.

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(4) The Registrar may nominate an officer subordinate to him to be present at any such general meeting.

27. *Filing of special resolution.*—A copy of every special resolution for any of the purposes mentioned in this Act, signed by an officer of the registered society, authorised in this behalf by its by-laws shall within such period as may be prescribed from the passing of the resolution, be filed with the Registrar.

28. *Extraordinary general meeting.*—(1) The committee may at any time call an extraordinary general meeting of the registered society and shall call such a meeting within such period as may be prescribed after receipt of a requisition in writing from such number of members or proportion of the total number of members as may be specified in the by-laws of the registered society.

(2) If an extraordinary general meeting is not called in accordance with such requisition, the requisitionists shall have power to call such meeting themselves.

(3) No extraordinary general meeting shall be deemed to have been duly called if the members of the registered society have not been given such notice thereof as is required by sub-sections (2) and (3) of section 26.

29. *Minutes of proceedings of registered society's general meeting and of its committee.*—(1) Every registered society shall cause minutes of all proceedings of its general meetings, and of its committee to be entered in books kept for the purpose.

(2) Any such minute, if purporting to be signed by the chairman of the meeting at which the proceedings were held or by the chairman of the next succeeding meeting, shall be evidence of the proceedings.

(3) The books containing the minutes aforesaid and the books of account of the registered society shall be kept at the registered office of the society and shall, during business hours be open to the inspection of any member free of charge.

30. *Amalgamation and division of registered societies.*—(1) Any two or more registered societies may with the prior approval of the Registrar, by special resolution of both or all such registered societies, become amalgamated together as one society, with or without any dissolution or division of the funds of those registered societies or any of them.

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(2) Any registered society may with the prior approval of the Registrar, by special resolution, divide itself into two or more societies. The resolution shall contain proposals for the division of the assets and liabilities of the registered society among the new societies into which it is proposed to divide it and may specify the area of operation of, and the members whom will constitute, each of the new societies.

(3) No amalgamation or division of a registered society under sub-section (1) or sub-section (2), as the case may be, shall have any effect until and unless the new society or societies is or are duly registered in accordance with the provisions of this Act.

(4) Upon the registration of the new society or societies, as the case may be, the assets and liabilities of the original registered society or societies shall, subject to the provisions of section 18 be transferred to, and be the assets and liabilities of the new society or societies, in the manner specified in the special resolution mentioned in sub-section (1) or sub-section (2), as the case may be.

31. *Saving of rights of creditors.*—An amalgamation or division in pursuance of section 30 shall not prejudice any right of a creditor of any registered society which was a party to such amalgamation or of the registered society which was the subject of such division.

32. *Certain mortgages and charges to be void if not registered.*—(1) Every mortgage or charge created on or after the date of the commencement of this Act by a registered society and being either—

(a) a mortgage or charge for the purpose of securing any issue of debentures ; or

(b) a mortgage or charge on any immovable property wherever situate, or any interest therein, shall, so far as any security on the registered society's property or undertaking is hereby conferred, be void against the liquidator and any creditor of the registered society, unless the prescribed particulars of the mortgage or charge, together with the instrument, if any, or which the mortgage or charge is created or evidenced or a copy thereof verified in the prescribed manner, are filed with the Registrar for registration within such period as may be prescribed after the date of its creation by any person authorised in this behalf by such registered society and when mortgage or charge becomes void under this sub-section the money secured thereby shall immediately become payable. :

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Provided that—

(i) in the case of a mortgage or charge created out of India and comprising solely property situate outside India the period prescribed under this sub-section shall be reckoned from the date on which the instrument or copy could, in due course of post and if despatched with with due diligence have been received in India, and

(ii) where the mortgage or charge is created in India but comprises property situate outside India, the instruments creating or purporting to create the mortgage or charge or a copy thereof verified in the prescribed manner may be filed for registration notwithstanding that further proceedings may be necessary to make the mortgage or charge valid or effectual according to the law of the country in which the property is situate.

(2) Where a registered society acquires any property which is subject to a mortgage or charge of any such kind as would, if it had been created by the registered society after the acquisition of the property have been required to be registered under sub-section (1), the registered society shall cause the prescribed particulars of the mortgage or charge, together with the copy (certified in the prescribed manner to be a correct copy) of the instrument, if any, by which the mortgage or charge was created or is evidenced, to be filed with the Registrar of registration within such period as may be prescribed after the date on which the acquisition is completed:

Provided that if the property is situate and the mortgage or charge was created outside India, the period prescribed under sub-section shall be reckoned from the date on which the copy of the Instrument could, in due course of post and if despatched with due diligence have been received in India.

33. *Registration of satisfaction of mortgage or charge.*—It shall be the duty of every registered society to file with the Registrar notice of the final payment or full satisfaction of any mortgage or charge requiring registration under section 32 within such period as may be prescribed from the date of the payment or satisfaction.

34. *Power of Registrar to call for information or explanation.*—(1) Where the Registrar, on perusal of any document which a registered society is required to file with him under the provisions of this Act, is of opinion that any information or explanation is necessary with respect to any matter to which such document purports to relate he may, by

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order in writing call on the registered society filing the document to furnish in writing such information or explanation within such time as he may specify in the order.

(2) On receipt by the registered society of an order under sub-section (1) it shall be the duty of all persons who are or have been its officers to furnish such information or explanation to the best of their power.

(3) On receipt of such information or explanation, the Registrar may annex the same to the original document filed with him, and any additional document so annexed by the registrar shall be subject to the like provisions as to inspection and the taking of copies, as the original document is subject.

CHAPTER IV

INSPECTION, INQUIRY, CANCELLATION, WINDING-UP AND APPEAL.

35. *Inspection of books.*—The books of every registered society shall, at all reasonable hours be open to inspection by the Registrar or by any person authorised by him in this behalf.

36. *Power of Registrar to inquire into the affairs of registered society.*—
(1) The Registrar may, of his own motion or on the application of a majority of the members of the Committee of a registered society or on the application of not less than one-third of the members of that registered society, if so moved by the District Collector hold, or direct some person authorised by the Registrar by order in writing in this behalf to hold an inquiry, into the constitution, working and financial condition of that registered society.

(2) An application to the Registrar under sub-section (1) shall be supported by such evidence as the Registrar may require for the purpose of showing that the applicants have good reason for applying for an enquiry.

(3) The Registrar may require the applicants under sub-section (1) to furnish such security as he thinks fit for the costs of the proposed inquiry, before the inquiry is held.

(4) All expenses, of and incidental or preliminary to, the inquiry shall, where such inquiry is held—

(a) on application be, defrayed by the applicants therefor or out of the assets of the registered society or by the members or officers of the registered society, in such proportions as the Registrar may, by order in writing, direct; and

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(b) on the District Collector's or Registrar's motion, be defrayed out of the assets of the registered society, and shall be recoverable as an arrear of land revenue.

(5) An order made under sub-section (4) shall, on application, be enforced by any civil court having local jurisdiction in the same manner as a decree of such court.

(6) A person holding an inquiry under this section shall at all reasonable times have free access to all the books, accounts and documents of the registered society and shall have power to call upon the registered society and the officers of the registered society to produce such books, accounts and documents and furnish such statements and other information in relation to its business as he may direct.

(7) It shall be the duty of all persons who are or have been Officers of the registered society to furnish the inquiring officer with all the books, accounts and documents in their custody or power relating to the registered society.

(8) A person holding an inquiry under this section may summon any person who, he has reason to believe, has knowledge of any of the affairs of the registered society and may examine such person on oath and may summon any person to produce any books, accounts or documents belonging to him or in his custody if the person holding the inquiry has reason to believe that such books, accounts or documents contain any entries relating to transactions of the registered society.

(9) The result of the inquiry shall be communicated to the registered society and to the applicants, if any.

37. *Cancellation of registration.*—When an inquiry has been held under section 36, the Registrar may, if he is 'satisfied—

(a) that the registered society has contravened any of the provisions of this Act, or the rules made thereunder; or

(b) that the registered society is insolvent, or must necessarily become so; or

(c) that the business of any such registered society is conducted fraudulently or not in accordance with the by-laws or the objects specified in the memorandum filed with the Registrar under section 6, after giving in such manner, as he thinks fit, previous notice in writing to the registered society, specifying briefly the grounds of the proposed cancellation and after giving an opportunity to the registered society

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to show cause why the cancellation should not be made cancel the registration of the registered society and communicate the order of cancellation forthwith to the registered society by registered post.

38. *Cancellation of registration of society carrying on unlawful activities.*—(1) If it appears to the Registrar that any registered society is carrying on any unlawful activity or allows unlawful activity to be carried on within any premises under the control of the society, the Registrar may hold an enquiry into the activities of such society, and in respect of every such enquiry, the Registrar shall have the same powers as are specified in sub-sections (6), (7) and (8) of section 36.

(2) If on an enquiry under sub-section (1), the Registrar is satisfied that any such society has been carrying on any unlawful activity or has allowed any unlawful activity to be carried on within any premises under the control of the society, he shall, after giving reasonable notice to the society to show cause why the registration of the society should not be cancelled and after considering the representations, if any, made on behalf of the society, by order cancel the registration of the society. The Registrar shall communicate the order of cancellation forthwith to the registered society.

Explanation.—For purposes of this section, an activity shall be deemed to be unlawful if such activity is an offence punishable under any provision of law for the time being in force.

39. *Effect of cancellation of registration.*—When the registration of a registered society is cancelled, the registered society shall forthwith cease to carry on its business, except so far as may be required for the beneficial winding-up thereof, for which purpose it shall pass a special resolution and dissolve itself in the manner provided in section 41.

40. *Winding-up of registered society.*—(1) Where the registration of a registered society is cancelled, the Registrar may appoint a liquidator to wind-up the society if the society has not, within such period as may be prescribed from the date of the order of cancellation, taken any action under section 39.

(2) A liquidator shall have power subject to the control of the Registrar—

(a) to institute or defend any action or other legal proceeding on behalf of the registered society by his name of office.

(b) to determine from time to time the contribution to be made or remaining to be made by the members of the registered society, respectively, to the assets of the registered society;

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(c) to investigate all claims against the registered society and subject to the provisions of this Act, to decide questions of priority arising between claimants ;

(d) to determine by what persons and in what proportions the costs of the liquidation are to be borne ; and

(e) to give such directions in regard to the collection and distribution of the assets of the registered society as may appear to him to be necessary for winding-up the affairs of the registered society.

(3) Subject to any rules of procedure made under this Act a liquidator shall in so far as such powers are necessary to carry out the purposes of this section have power to summon and enforce the attendance of witnesses and to compel the production of documents as far as may be, by the same means and in the same manner as is provided in the case of civil court by the Code of Civil Procedure, 1908 (Central Act V of 1908).

(4) An order made under this section shall, on application be enforced by any civil court having local jurisdiction in the same manner as a decree of such court.

41. *Dissolution of registered societies and adjustment of their affairs.*—

(1) A registered society may, by special resolution, determine that it shall be dissolved and thereupon it shall be dissolved forthwith or at the time specified in the resolution and all necessary steps shall be taken for the disposal and settlement of the property of the registered society and its claims and liabilities according to the by-laws, if any, of the registered society and if there are no by-laws according, as the committee or where a special committee is appointed under sub-section (2), the special committee, may find it expedient.

(2) A registered society may when, passing the special resolution referred to in sub-section (1), appoint a special committee consisting of such number of members as may be specified in the resolution for winding-up the affairs of the registered society.

(3) If any dispute arises among the members of the registered society, the committee, or the special committee, if any the adjustment of the affairs of the registered society shall be referred, to the Court and the court shall make such order in the matter as it shall deem fit.

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Provided that any matter decided by a special resolution of the registered society by the committee or by the special committee, if any, shall not be deemed to be a matter in dispute within the meaning of this sub-section.

(4) If the Central or any State Government is a member of, or a contributory, to or otherwise interested in, any registered society, such society shall not be dissolved under sub-section (1) without the consent of the Central or State Government concerned.

42. *On dissolution, no member to receive profit.*—If, upon the dissolution of any registered society, there shall remain after the satisfaction of all its debts and liabilities, any property, whatsoever, the same shall not be paid to or distributed among the members of the said society or any of them, but shall be given to some other registered society or to any association of persons having the same objects or objects similar to those of such registered society, to be determined by a special resolution or in default thereof by the court:

Provided that this section shall not apply to any society which shall have been founded or established by the contributions of shareholders in the nature of a joint stock company.

43. *Liquidator to make up account after winding-up of registered society*—(1) As soon as the affairs of a registered society are completely wound-up the liquidator shall make up an account of the winding-up showing how the winding-up has been conducted and the property of the registered society has been disposed of, and call a general meeting of the registered society for the purpose of placing before it the accounts and giving any explanation in respect thereof.

(2) Within such period as may be prescribed after the meeting the liquidator shall send to the Registrar a copy of the account and shall make a return to him of the holding of the meeting and of its date.

(3) If a quorum is not present at the meeting aforesaid, the liquidator shall, in lieu of the return referred to in sub-section (2), make a return that the meeting was duly called and that no quorum was present thereat.

44. *Removal of defunct registered societies.*—(1) Where the Registrar has reasonable cause to believe that a registered society is not carrying on business or in operation he shall send to the registered society by registered post a letter enquiring whether the society is carrying on business or in operation.

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(2) If the Registrar either receives an answer from the registered society to the effect that it is not carrying on business or in operation, or does not within such period as may be prescribed after sending the letter receive any answer, he may publish in the *Tamil Nadu Government Gazette*, and send to the registered society by registered post, a notice that, at the expiration of such period as may be prescribed from the date of such publication, the name of the registered society mentioned therein will unless cause is shown to the contrary, be struck off the register and the registered society will be dissolved.

(3) If, in any case where a registered society—

(a) is being wound-up, the Registrar has reasonable cause to believe either that no liquidator is acting or that the affairs of the registered society have been completely wound up; or

(b) has not, for three consecutive financial years, filed with the Registrar all or any of the documents referred to in clause (b) of sub-section (3) of section 16.

the Registrar may publish in the *Tamil Nadu Government Gazette*, and send to the registered society by registered post, a like notice as is provided in sub-section (2) of this section.

(4) At the expiration of the time mentioned in the notice referred to in sub-section (2) or sub-section (3) the Registrar may, unless cause to the contrary is previously shown by the registered society, strike its name off the register and shall publish notice thereof in the *Tamil Nadu Government Gazette*, and, on the publication of such notice, the registered society shall be deemed to be dissolved :

Provided that the liability, if any, of every officer and member of the registered society shall continue and may be enforced as if the registered society had not been dissolved.

5) (a) If a registered society or any member or creditor thereof feels aggrieved by the name of the registered society having been struck off the register such registered society, member or creditor may,

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within such period as may be prescribed from the date of the publication in the *Tamil Nadu Government Gazette* of the notice of striking off the name of the registered society, appeal—

(i) where the name of the registered society is struck off by the Inspector-General of Registration to the Government ;

(ii) in any other case, to the Inspector-General of Registration.

(b) The Government or the Inspector-General of Registration on being satisfied that the registered society was, at the time its name was struck off, carrying on business or in operation or otherwise that it is just and equitable that the name of the registered society be restored to the register, may order such restoration.

(6) If a registered society or any member or creditor thereof feels aggrieved by the order of the Government or the Inspector-General of Registration under sub-section (5), the court may, on the application of such registered society member or creditor, made within such period as may be prescribed from the date of the receipt by such registered society, member or creditor, of such order, and on being satisfied that it is just and equitable that the name of the registered society be restored to the register, order such restoration.

(7) The registered society whose name is restored to the register under sub-section (5) or sub-section (6) shall be deemed to have continued in existence as if its name had not been struck off ; and the Government or the Inspector-General of Registration or the court, as the case may be, may, by order, give such directions and make such provisions as seem just for placing the registered society and all other persons in the same position, as nearly as may be, as if the name of the registered society had not been struck off.

45. Appeals.—(1) Any person aggrieved by an order—(a) refusing to register a society or any amendment of the memorandum or by-laws of a society ; or

(b) cancelling the registration of a registered society ; or

(c) made under sub-section (4) of section 36—may appeal, if such order is that of—

(i) the Inspector-General of Registration, to the Government; or

(ii) any other person, to the Inspector-General of Registration.

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(2) Any person aggrieved by any order made by a liquidator may appeal to the court.

(3) Save as expressly provided in this Act, orders made under this Act shall be final and conclusive.

Explanation.—For the purpose of sub-sections (1) and (2), “person aggrieved” includes a registered society.

CHAPTER V.

OFFENCES AND PROCEDURE.

46. *Penalty for non-compliance with Act.*—(1) Where a society, which is compulsorily registerable under sub-section (1) or sub-section (2) of section 4, fails to get itself registered within the period specified for registration, every person who is a member of such society, shall be punishable with fine which may extend to fifty rupees, and in the case of a continuing failure with fine which may extend to five rupees for every day during which the failure continues.

(2) Any registered society which makes default in complying with any of the requirements of the Act or contravenes any of the provisions thereof and every officer of the registered society, who is knowingly a party to the default or contravention, shall be punishable with fine which may extend to one hundred rupees, and in the case of a continuing default or contravention with fine which may extend to fifty rupees for every day during which the default or contravention continues.

47. *Penalty for falsifying documents.*—Any person who wilfully makes or causes to be made any false entry in, or any omission from, any register, account, balance sheet, or other document, required by this Act to be maintained by a registered society, shall be punishable with fine which may extend to five hundred rupees.

48. *Penalty for furnishing false information or disobeying summons, requisition or other lawful order or direction.*—The committee of a registered society which or an officer, employee, or a paid servant or any member of the society who, wilfully makes a false return or furnishes false information, or any person who wilfully or without any reasonable excuse, disobeys any summons, requisition or other lawful order, or direction issued under the provisions of this Act or who wilfully withholds or fails to furnish any information lawfully required from him by a person authorised in this behalf under the provisions of this Act, shall be punishable with fine which may extend to five hundred rupees.

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49. *Power of Registrar to condone delay in certain cases.*—The Registrar may, in his discretion and upon an application in writing by any society, or as the case may be, by any registered society, made within the period prescribed under sub-section (1) or sub-section (2) of section 4, clause (1) of section 13, sub-section (2) of section 15, sub-section (3) of section 16 or section 27, allow to such society further time not exceeding such period as may be prescribed to comply with any of the provisions aforesaid.

50. *Cognizance of offences.*—No court inferior to that of a metropolitan magistrate or a judicial magistrate of the first class shall try any offence under this Act.

CHAPTER VI.

FEES AND SUPERVISION.

51. *Fees.*—(1) There shall be paid to the Registrar in respect of the several matters mentioned in the Schedule, the fees therein specified.

(2) The Government may, in their discretion, remit, in whole or in part, any fee payable under this Act.

(3) The Government may, by notification, authorize the Inspector-General of Registration or any officer subordinate to him to exercise the power vested in them by sub-section (2) and may in like manner withdraw such authority.

(4) The exercise of the power delegated under sub-section (3) shall be subject to such restrictions and conditions as may be specified in the notification and also to control and revision by the Government or by such officer as may be empowered by the Government in this behalf. The Government shall also have power to control and revise the acts or proceedings of any officer so empowered.

(5) All fees paid to the Registrar in pursuance of this Act shall be accounted for to the Government.

52. *Powers of Inspector-General of Registration.*— (1) The Inspector General of Registration shall have superintendence over all other Registrars functioning under this Act.

(2) No prosecution shall be instituted under this Act without the previous sanction in writing of the Inspector-General of Registration.

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CHAPTER VII.

MISCELLANEOUS.

53. *Application of Act to existing registered societies.*—Every society registered under the Societies Registration Act, 1860 (Central Act XXI of 1860), or under any law corresponding to this Act in force in the transferred territory immediately before the date of the commencement of this Act including the Travancore-Cochin Literary, Scientific and Charitable Societies Registration Act, 1955 (Travancore-Cochin Act XII of 1955), shall be deemed to be registered under this Act, and the by-laws of such society shall in so far as they are not inconsistent with any provision of this Act, continue in force until altered or rescinded.

54. *Exemption.*—The Government may, by general or special order whether prospectively or retrospectively,—

(1) exempt from all or any of the provisions of this Act or from any rule made under this Act, or

(2) direct that any such provision or any such rule shall apply with such modifications as may be specified in the order, to any society or registered society or class of societies or of registered societies.

55. *Acts of registered societies, etc., not to be invalidated by certain defects.*—No act or proceeding of a registered society or any committee or of any officer of the society shall be deemed to be invalid merely on the ground—

(a) of any vacancy or defect in the organisation of the society or the formation of the general body or the constitution of the committee;

(b) of any defect or irregularity in the election or appointment of a member of the committee or an officer of the society; or

(c) of any defect or irregularity in such act or proceeding not affecting the merits of the case.

56. *Power to make rules.*—(1) The Government may make rules to carry out the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for—

(a) the objects which may be recognised for the purpose of section 3;

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(b) the matters in respect of which a society may or shall make by-laws and the procedure to be followed in making, altering and abrogating by-laws and the conditions to be satisfied prior to such making, alteration or abrogation ;

(c) the forms to be used for the purposes of registration of societies and for filing documents required or authorised to be filed under this Act ;

(d) the form of accounts, returns and registers required by this Act and the manner in which any such accounts, returns or registers shall be verified ;

(e) the nature of the particulars of the mortgage or charge to be filed with the Registrar under section 32 ;

(f) the qualifications of auditors and the members appointed under sub-section(1) of section 16 and of the persons authorised to hold inquiry under section 36 ;

(g) the procedure to be followed by liquidators under this Act ;

(h) the inspection of documents kept by the Registrar and the grant of copies thereof ;

(i) the safe custody of books, papers and documents in the Registrar's office and the destruction of such of the books, papers and documents aforesaid as need no longer be kept ;

(j) the time within which appeals under section 45 shall be preferred ;

(k) any other matter which has to be or may be prescribed.

57. *Repeals and savings*—(1) The Societies Registration Act, 1860 (Central Act XXI of 1860), in so far as it applies to the State of Tamil Nadu (hereafter in this section referred to as the said Act), is hereby repealed.

(2) Notwithstanding such repeal, all societies registered and all acts done under the said Act—

(i) by the Registrars of the districts, appointed under section 6 of the Registration Act, 1908 (Central Act XVI of 1908), at any time during the period commencing on the 1st September 1954 and ending with the 24th March 1955 ;

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(ii) by the Sub-Registrars whose offices were amalgamated with the offices of the Registrars under sub-section (2) of section 7 of the Registration Act, 1908 (Central Act XVI of 1908), at any time during the period commencing on the 1st September 1954 and ending with the 27th May 1955,

shall be deemed to be, and always to have been, valid as if the Registrars of the districts mentioned in clause (i) and the Sub-Registrars mentioned in clause (ii), had power to register such societies and do such acts during the said period and accordingly no registration made and no act done by them under the said Act shall be called in question merely on the ground that they had no power to register such societies or to do such acts at the time the registration was made or the act was done :

Provided that in relation to the territories specified in the Second Schedule to the Andhra Pradesh and Madras (Alteration of Boundaries) Act, 1959 (Central Act 56 of 1959), clause (i) of this sub-section shall be construed as if for the expressions "1st September 1954" and "24th March 1955", the expressions "1st October 1954" and "22nd August 1956" have respectively been substituted.

(3) Any law corresponding to this Act in force in the transferred territory immediately before the date of the commencement of this Act including the Travancore-Cochin Literary, Scientific and Charitable Societies Registration Act, 1955 (Travancore-Cochin Act XII of 1955) (hereafter in this section referred to as the corresponding law) shall stand repealed on the date of such commencement.

(4) The repeal by sub-section (3) of the corresponding law shall not affect—

(a) the previous operation of the corresponding law or anything duly done or suffered thereunder ; or

(b) any right, privilege, obligation or liability acquired, accrued or incurred under the corresponding law ; or

(c) any fine, penalty, forfeiture or punishment incurred in respect of any offence committed against the corresponding law ; or

(d) any investigation, legal proceeding or remedy in respect of any such right, privilege, obligation, liability, fine, penalty, forfeiture or punishment as aforesaid ;

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and any such investigation, legal proceeding or remedy may be instituted, continued or enforced and any such fine, penalty, forfeiture or punishment may be imposed as if this Act had not been passed ;

(5) Subject to the provisions of sub-section (4) anything done or any action taken, including any appointment or delegation made, notification order instructions or direction issued, or any rule, regulation form or by-law framed, certificate granted or registration effected, under the corresponding law shall be deemed to have been done or taken under this Act and shall continue to have effect accordingly, unless and until superseded by anything done or any action taken under this Act.

(6) For the purpose of facilitating the application of this Act in the transferred territory any court or other authority may construe this Act with such alterations not affecting the substance as may be necessary or proper to adapt it to the matter before the court or other authority.

(7) Any reference to the corresponding law which continues to be in force in the transferred territory after the date of the commencement of this Act shall, in relation to that territory, be construed as a reference to this Act.

58. *Publication of rules, commencement of rules and notifications and placing them on the table of the Legislature.*—(1) All rules made under this Act shall be published in the *Tamil Nadu Government Gazette* and unless they are expressed to come into force on a particular day, shall, come into force on the day on which they are so published.

(2) All notifications issued under this Act shall, unless they are expressed to come into force on a particular day, come into force on the day on which they are published.

(3) Every rule made and notification issued under this Act shall as soon as possible, after it is made or issued, be placed on the table of both Houses of the Legislature, and if, before the expiry of the session in which it is so placed or the next session, both Houses agree in making any modification in any such rule or notification or both Houses agree that the rule or notification should not be made or issued, the rule or notification shall thereafter have effect only in such modified form or be of no effect, as the case may be, so however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or notification.

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THE SCHEDULE

(See sub-section (1) of section 51.)

Table of fees to be paid to the Registrar.

- 1 For registration of a society Fifty Rupees.
- 2 For filing any document by this Act Two Rupees.
required or authorised to be filed other
than the memorandum.
- 3 For every inspection of documents Four Rupees.
(whether one or more) in the custody
of the Registrar relating to one and
the same society.
- 4 For issue of certificate of registration Four Rupees.
or certificate of registration on change
of name.
- 5 For every copy or extract of any docu- Seventy-five paise for every
ment in the custody of the Registrar. hundred words or fraction
nal part thereof required
to be copied.
- 6 For a search of documents referred to Three Rupees.
in items 3 to 5 if the year of registration
of the society is not given in the
application.
- 7 For an appeal under sub-section (5) or Ten Rupees.
an application under sub-section (6)
of section 44 or for an appeal under
sub-section (1) of section 45.